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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

North American Numbering Council
Recommendation on North America Numbering
Plan Administrator,
Billing and Collection Agent, and Related Rules

CC Docket No. 92-237

REPLY COMMENTS OF LOCKHEED MARTIN IMS

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Pursuant to the Federal Communications Commission's ("FCC" or the "Commission") Public Notice issued May 19, 1997,¹ Lockheed Martin IMS submits these Reply Comments in the above captioned proceeding.

I. INTRODUCTION AND SUMMARY

Lockheed Martin IMS commends the Commission, the North American Numbering Council ("NANC"), and the North American Numbering Plan Administrator ("NANPA") Working Group for their efforts in developing a new model for telephone numbering administration, as well as their efforts in recommending new NANPA and billing and collection entities. The rigorous and exhaustive evaluation and selection process conducted by the NANC and the NANPA Working Group ensures that the new NANPA will provide fair, effective and efficient numbering plan resource administration.

¹ FCC Public Notice, *The North American Numbering Council (NANC) Issues Recommendations of the North American Numbering Plan Administrator, Billing and Collection Agent, and Related Rules; Pleading Cycle Established*, CC Docket No. 92-237, DA No. 97-1055 (May 19, 1997).

Lockheed Martin IMS is pleased that NANC has recommended its selection to the FCC as the new NANPA. Because Lockheed Martin IMS believes that it is essential that the new NANPA have the full confidence of the telecommunications industry, it wishes to respond to a number of issues raised by commenters in this proceeding.

Commenters in this proceeding and the NANPA Working Group have expressed two basic concerns regarding the NANC selection of Lockheed Martin IMS as the NANPA: 1) staffing and cost, and 2) availability of NANPA related intellectual property. Both of these concerns, however, have been addressed and resolved. Lockheed Martin IMS will provide numbering resource management at its bid price and will ensure proper staffing and expertise to meet all NANPA obligations. In addition, Lockheed Martin IMS will provide licenses free of charge for all NANPA related intellectual property to any successor NANPA. Moreover, Lockheed Martin IMS will comply with all NANPA neutrality requirements. These assurances made by Lockheed Martin IMS to the NANC and reiterated herein, as well as its significant numbering experience, coupled with the regulations proposed by the NANC for the oversight of numbering plan administration, will ensure that Lockheed Martin IMS provides fair, timely, effective and efficient number administration services.

As both Congress and the FCC have recognized, the growth of a competitive telecommunications market depends upon the ability of impartial entities to make numbering plan resources available on an equitable basis.² Now that the new NANPA and billing and collection entities have been selected in a well reasoned and fully supported NANC Recommendation, Lockheed Martin IMS urges the Commission to finalize

² 47 U.S.C. § 251(e)(1) (The Commission shall “create or designate one or more impartial entities to administer telecommunications numbering and make such numbers available on an equitable basis.”); *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, 11 FCC Rcd 19392, 19508 (1996).

expeditiously the selection. A *de novo* review of the submitted proposals by the Commission is unnecessary and would represent a serious waste of time and resources.

II. LOCKHEED MARTIN IMS WILL PROVIDE NUMBERING PLAN ADMINISTRATION AT ITS STATED PRICE WITH THE NECESSARY STAFF AND EXPERTISE AND WILL ENSURE PROPER TRANSFER OF INTELLECTUAL PROPERTY

Commenters in this proceeding generally raised two basic concerns regarding the selection of Lockheed Martin IMS as NANPA: (1) whether Lockheed Martin IMS's proposal adequately estimates both the cost and staffing requirements necessary to meet all central office ("CO") code and Number Planning Area ("NPA") administration obligations and whether any resulting cost overruns would be passed on to the industry;³ and (2) whether Lockheed Martin IMS gives assurances regarding the future transfer of intellectual property related to NANPA functions.⁴ Lockheed Martin IMS appreciates these concerns, but as is discussed more fully below, believes that they have been previously addressed and resolved.⁵ The NANC specifically considered these same issues and determined that: (1) Lockheed Martin IMS's proposal is fully compliant with the NANC Requirements

³ Comments of AirTouch Communications, Inc. at 6-9 (June 20, 1997) ("AirTouch Comments"); Comments of Southwestern Bell, *et al.* at 6-9 (June 20, 1997) ("Southwestern Bell Comments"); Comments of Omnipoint Communications, Inc. at 3 (June 20, 1997) ("Omnipoint Comments"); Comments of the Personal Communications Indus. Assoc. at 3-5, 6-7 (June 20, 1997) ("PCIA Comments").

⁴ Omnipoint Comments at 3-4; Comments of WorldCom, Inc. at 4 (June 20, 1997) ("WorldCom Comments"); PCIA Comments at 5-6.

⁵ In part, some commenters' views apparently were formed without the benefit of supplemental information provided to NANC in the form of responses, written and oral, to questions posed to Lockheed during April and May of this year. This information is important to a proper and complete understanding of the NANC recommendation. Lockheed Martin IMS provided the NANPA Working Group with written answers to questions on April 24, 1997, as well as an oral presentations on May 2, 1997.

Document; and (2) Lockheed Martin IMS “displayed a firm understanding and appreciation for the numerous complexities associated with administering the [NANP].”⁶

Lockheed Martin IMS is committed to providing high quality, neutral, third party services to the telecommunications industry. Lockheed Martin IMS is proud of its work to date on behalf of NANC and the industry in supporting local number portability (“LNP”), and providing extraordinarily high levels of service and support that go beyond the requirements of its contracts.⁷ Lockheed Martin IMS looks forward to its role as the new NANPA and is committed to providing timely and efficient numbering plan administration that is evenhanded and fair to all segments of the industry.

A. Lockheed Martin IMS Stands By Its Fixed Bid Price And Will Meet Its NANPA Obligations

The NANC has proposed two additional conditions for the NANPA that also redress the pricing and intellectual property issues raised by the commenters. Lockheed Martin IMS fully commits to these two additional conditions and endorses the accompanying rules proposed by NANC.

The first proposed condition constrains the ability of the NANPA to adjust its bid price during the initial five-year term. This condition is consistent with Lockheed Martin

⁶ NANC Recommendation at 3 (May 15, 1997). The NANC also noted that Lockheed’s proposal differentiated itself, “by providing innovative ideas and forward-looking state-of-the-art administration systems and tools that the NANC considered essential for effective administration in accordance with the Requirements Document.” *Id.*

⁷ Examples of Lockheed Martin IMS’s commitment to providing industry leading number portability administration center (“NPAC”) services supporting LNP include: 1) development of the NPAC/Service Management System (“SMS”) Functional Requirements Specification (“FRS”) and NPAC/SMS Interoperable Interface Specification (IIS) and placement of these specifications in the public domain, 2) revision and update of these specifications on behalf of NANC, 3) chair multi-regional NPAC/SMS planning meetings, and 4) provision of Help Desk Support for the IIS. Lockheed Martin IMS also is committed to full participation in the industry’s open standards processes and industry fora.

IMS's promised firm fixed price for its services.⁸ Lockheed Martin IMS will assume responsibility for delivering high quality number administration services, including sufficient staffing and expertise, systems, and travel,⁹ at the quoted price. Thus, even if Lockheed Martin IMS has underestimated the costs of administering the NANP, including staffing levels, any required adjustments will not affect the prices paid by the industry.¹⁰

Second, the NANC proposal that all intellectual property associated with the provision of NANP services be available free of charge to the new entity will address the

⁸ See Answers to NANPA Working Group Questions, Question 1 at page 1 (April 24, 1997) (“[T]he prices quoted in our response are our best and final prices for the services proposed.”) (Attached hereto as Exhibit A).

⁹ Answers to NANPA Working Group Questions, Question 27 at page 14 (travel included in quoted price) (Attached hereto as Exhibit B). This commitment addresses the California PUC's concerns regarding travel expenses. Comments of the People of the State of California and the Public Utilities Commission of the State of California on the North American Numbering Council Recommendation at 5 (June 20, 1997) (“California PUC Comments”).

¹⁰ The proposed rule, 47 C.F.R. § 52.15(d), provides:

The NANPA shall perform the NANPA functions *at the price agreed to at the time of its selection*. The NANPA may request from NANC, with approval by the Commission, an adjustment in this price should the actual number of CO Code assignments made per year, the number of NPAs requiring relief per year, or the number of NPA relief meetings per NPA requiring relief exceed 120 percent of NANPA's stated assumptions for the above tasks at the time of its selection.

NANC Recommendation, Attachment 2, NANPA Rules at 6 (“NANPA Rules”) (emphasis added). MCI notes that there is a minor textual difference between the NANC proposed rule and the language used to describe the rule in the FCC Public Notice. Comments of MCI Telecommunications Corp. at 17 (June 20, 1997) (“MCI Comments”). Lockheed recommends that, in order to avoid confusion, the FCC should adopt the rule as proposed by the NANC. In addition, Lockheed supports MCI's recommendation that the Commission quantify the numerical thresholds used to determine the 120 percent price adjustment requirement. MCI Comments at 18. Lockheed Martin IMS forecasts an average of 10,000 CO Code requests per year, 30 to 40 new NPAs requiring relief per year, and an average of 12 meetings for each new relief event per year. It is important to note that given the current 18 to 24 month NPA relief planning cycle, the forecasted 30 to 40 new NPAs requiring relief per year equates to approximately 50 to 70 NPAs in relief planning in any given year.

industry's concerns regarding any transition to a different NANPA in the future. This proposal will help to eliminate unforeseen added costs (licenses, transfer costs, etc.), as well as to ensure that the incumbent NANPA is not unfairly advantaged in future selection processes because of the costs faced by other bidders in developing new systems.¹¹

As MCI points out in its comments, the fixed cost guarantee and the intellectual property rule address the principal points of difference between the NANPA Working Group's initial recommendation of Mitretek, and NANC's recommendation of Lockheed Martin IMS.¹² These two rules obviate both the NANPA Working Group's and the commenters' primary concerns that Lockheed Martin IMS may have underestimated the personnel and capital investment required to meet NANPA obligations and that the cost difference between Mitretek and Lockheed Martin IMS is, therefore, illusory. Moreover, the intellectual property rule prevents the incumbent NANPA from using proprietary hardware to gain an unfair advantage in future NANPA selection proceedings. These rules, coupled with Lockheed Martin IMS's assurances to provide the staff and resources necessary to deliver excellent numbering plan administration and its previous commitment

¹¹ The proposed rule, 47 C.F.R. § 52.13(f), provides:

The NANP Administrator shall make available any and all intellectual property and associated hardware including, but not limited to, systems, software, interface specifications and supporting documentation, generated by or resulting from its performance as NANP Administrator and make such property available to whoever NANC directs free of charge. The entity or entities designated by the Commission to serve as NANP Administrator shall specify any property it proposes to exclude from the foregoing based on the existence of such property prior to its selection as NANP Administrator.

NANPA Rules at 5.

¹² MCI Comments at 16.

to make available intellectual property,¹³ fully address any remaining concerns that some commenters may have and ensure the industry that the significant \$22.5 million cost saving afforded by Lockheed Martin IMS as NANPA will be realized.

B. Lockheed Martin IMS Commits To Proactively Ensuring Timely and Effective CO And NPA Administration

Lockheed Martin IMS's proposal represents an approach to numbering plan administration that takes advantage of the most advanced technology and Lockheed Martin IMS's significant experience with numbering administration issues to provide the most efficient service available.¹⁴ Moreover, Lockheed Martin IMS's work load and volume assumptions are firmly grounded in the NANC Requirements Document, as well as in widely accepted industry figures.¹⁵ Lockheed Martin IMS submits that its proposal represents a highly cost effective solution to number administration challenges.

Lockheed Martin IMS's innovative approach to numbering administration depends in part on the effective use of advanced technologies to streamline many aspects of the number administration process. Such streamlining greatly increases staff productivity which, in turn, decreases the total number of staff required to perform these functions.¹⁶ In

¹³ Answers to NANPA Working Group Questions, Question 4 at page 4 (Lockheed Martin IMS is "sensitive to the industry's need to affect a smooth transition of NANPA functions upon termination, as well as the need to ensure continued NANPA operations in the unlikely event of default, loss of neutrality, or insolvency.") (Attached hereto as Exhibit C). On May 14, 1997, Greg Roberts, representing Lockheed Martin IMS at the NANC meeting, committed to making NANPA related intellectual property licenses available free of charge.

¹⁴ The NANC explicitly recognized Lockheed's significant numbering experience as one of the advantages of its proposal. NANC Recommendation at 5.

¹⁵ NANPA Requirements Document at 19-35 (Feb. 20, 1997).

¹⁶ Some commenters have argued that Lockheed may have overemphasized the use of automation. *See e.g.*, WorldCom Comments at 3-4; California PUC Comments at 2. In a written response to a NANC inquiry on this issue, Lockheed stated that:

(Footnote continues on following page.)

addition, significant cost and technology economies will be realized through leveraging an existing Lockheed Martin IMS Communications Industry Services infrastructure. The economies of scale resulting from Lockheed Martin IMS's existing infrastructure combined with its NANPA duties will reduce further overall costs.¹⁷ Combined with a highly rigorous assessment and analysis of numbering plan administration work activities, Lockheed Martin IMS's forecast staff requirements are reasonable. In fact, despite some commenters' focus on the staffing levels proposed by Mitretek, Lockheed Martin IMS's proposal is consistent with the staffing requirements projected by the other two NANPA proposals, including that of Bellcore, the incumbent NANPA.¹⁸

Some commenters also questioned the levels of experience that identified Lockheed Martin IMS staff would bring to the NANPA work. Lockheed Martin IMS has complete

(Footnote continued from previous page)

It was certainly not our intention to suggest that NANPA could be automated, or that the skill levels of the administrators could be relaxed or reduced due to automation. ... On the contrary, due to the increasingly difficult task of balancing the conflicting objectives of efficient resource utilization and response to industry needs, there is an essential reliance on the unique skills of administrators to interpret and execute on good faith the industry guidelines. ... [Automated] facilities are proposed not to replace skilled administrators, but to help make them more productive and effective.

Answers to NANPA Working Group Questions, Question 7 at page 8 (Attached hereto as Exhibit D).

¹⁷ The NANC noted the "potential to achieve synergy associated with the future consolidation of numbering administration systems and/or processes (e.g., number pooling)" as one of the main advantages of the Lockheed proposal. NANC Recommendation at 5.

¹⁸ Bellcore's Response to the North American Numbering Council (NANC) for a New North American Numbering Plan Administrator (NANPA) at 9-5 (May 22, 1997) recommended a staff of 28 employees.

confidence in its ability to attract qualified and experienced staff. As a part of the Lockheed Martin Corporation, Lockheed Martin IMS provides good compensation, excellent benefits, and a productive work environment. In developing the NPAC SMS system for LNP, Lockheed Martin IMS has been successful in attracting the best subject matter experts ("SMEs") in their respective fields in part because of its excellent reputation and stability. For NANPA, Lockheed Martin IMS is hiring full-time numbering administration SMEs from all segments of the industry,¹⁹ and continues to recruit experienced and knowledgeable SMEs in CO code administration, NPA relief planning and carrier identification code administration.²⁰ To facilitate the hiring of the best staff available, Lockheed Martin IMS will assign its NANPA personnel to three existing Lockheed Martin offices across the nation.²¹

Finally, Lockheed Martin IMS is committed to performance of its administration responsibilities within its bid price. Lockheed Martin IMS will anticipate and adjust proactively its staffing needs to provide the necessary service levels.²²

¹⁹ CO code administration and NPA relief planning are now staffed by the incumbent local exchange carriers, some with outside contractors.

²⁰ Lockheed Martin IMS has hired Bruce Bennett, former Director of CO Code Administration and NPA Relief Planning for Pacific Bell and Nevada Bell. With 26 years of telecommunications experience, Mr. Bennett possesses more than eight years of CO code and NPA relief experience in one of the nation's most active areas in CO code usage and NPA relief planning. Mr. Bennett represents the type of experienced and competent individuals that Lockheed Martin IMS will continue to hire into its NANPA organization.

²¹ A functionally centralized CO code staff does not necessarily require that staff be physically centralized. The California PUC expressed concern that a centralized approach will result in poorer services to regions outside the Eastern Time Zone. Lockheed Martin IMS will have staff with local knowledge and expertise for each region. Moreover, Lockheed Martin IMS stated its intention during the selection process to consider "distributing these personnel across three separate existing Lockheed Martin facilities (East Coast, West Coast and Mid-West locations) without any increase to our proposal price." See Answers to NANPA Working Group Questions, Question 39 at page 18 (Attached hereto as Exhibit E). Lockheed Martin IMS has now done so and will assign its NANPA personnel to three existing Lockheed Martin offices.

²² Answers provided at May 2, 1997 Oral Presentation to NANPA Working Group.

III. LOCKHEED MARTIN IMS WILL HONOR ALL NEUTRALITY REQUIREMENTS

The NANC determined²³ that Lockheed Martin IMS's proposal met the specific neutrality requirements outlined in the NANPA Requirements Document.²⁴ Lockheed Martin IMS committed to compliance with the NANC neutrality requirements when it submitted its proposal and commits to continued compliance at all times during its tenure as NANPA.²⁵

IV. THE NANC RECOMMENDATION IS WELL REASONED AND FULLY SUPPORTED, MAKING *DE NOVO* REVIEW OF THE NANPA PROPOSALS BY THE COMMISSION UNNECESSARY

Although some commenters suggest that the Commission must conduct a *de novo* evaluation of the proposals submitted because industry consensus on a new NANPA was not achieved,²⁶ nothing in the Commission's rules or its order creating the NANC²⁷ requires that the selection of the NANPA be through industry consensus. The NANP Order directs the NANC simply "*to select*" a NANPA.²⁸ Moreover, in fashioning rules that set forth the various duties of the NANC, the Commission specifically did not require that NANC

²³ NANC Recommendation at 5.

²⁴ NANP Requirements Document at 2-3.

²⁵ See WorldCom Comments at 5-6.

²⁶ Comments by Communications Venture Services, Inc. and Richard C. Bartel at 1-3 (June 20, 1997); see also, Southwestern Bell Comments at 4-5; AirTouch Comments at 3-5.

²⁷ *Administration of the North American Numbering Plan*, 11 FCC Rcd 2588 (1995) ("*NANP Order*").

²⁸ *Id.* at 2609 (emphasis added).

achieve consensus in recommending a new NANPA.²⁹ Therefore, although the Commission must provide a reasoned basis for its ultimate decision, it can do so by relying on the NANC recommendation and its underlying rationale. Such an approach represents the most expeditious and efficient approach to the making a final NANPA appointment.

The NANPA Working Group conducted a rigorous review of the NANPA proposals and identified Lockheed Martin IMS and Mitretek as the two best proposals. NANC made its decision to recommend Lockheed Martin IMS based upon its own review of the record and its consideration of the Commission's goals for the NANPA.³⁰ The NANC stated in its recommendation that "[t]he advantages of the Lockheed proposal are: 1) it is half the cost (\$22.5M less) of the Mitretek proposal; 2) it reflects Lockheed's experience with numbering issues relative to LNP NPAC and the [SMS] 800/888 Help Desk;³¹ and 3) that there is potential to achieve synergy associated with the future consolidation of numbering

²⁹ See 47 CFR § 52.11 ("The duties of . . . (NANC) may include, but are not limited to: (d) Recommending to the Commission an appropriate entity to serve as the NANPA.").

³⁰ NANC Recommendation at 4. The Commission identified a number of goals for the NANPA, including: (1) Administration of the plan must seek to facilitate entry into the communications marketplace by making numbering resources available on an efficient, timely basis to communications services providers; (2) Administration of the NANP should be competitively neutral; (3) Administration of the NANP should be technology neutral; (4) Administration of the NANP should give consumers easy access to the public switched telephone network; (5) Administration of NANP should ensure that the interests of all NANP member countries are addressed fairly and efficiently, and foster continued integration of the NANP across NANP member countries; and (6) United States numbering policy should be developed in a manner that fosters international numbering consistency and interoperability. *NANP Order* at 2595-96.

³¹ Lockheed Martin IMS has operated the Toll Free (800/888) SMS Help Desk for more than three and one half years. During this period, Lockheed Martin IMS has administered the 800/888 SMS in a fair, evenhanded, and impartial manner. Furthermore, during this period, Lockheed Martin IMS has provided high quality service to the industry by meeting or exceeding each of the more than twenty (20) performance standards identified by the contract as being important key indicators of the service rendered to its users. Lockheed Martin IMS will cease its responsibilities as SMS 800/888 Help Desk administrator as of September, 1997. Nonetheless, this experience, coupled with its extensive knowledge and involvement with LNP for the past 18 months, makes Lockheed Martin IMS uniquely qualified to serve as the new NANPA.

administration systems and/or processes (e.g., number pooling).”³² Given the extensive review and well-reasoned decision by NANC, an exhaustive independent review of the proposals and the record in this proceeding by the FCC would be duplicative and a waste of time and valuable resources, and would further delay the implementation of a reformed numbering plan administration process.

V. CONCLUSION

Lockheed Martin IMS will provide the highest possible level of service at its stated price and will aggressively and proactively identify and address potential problems and industry needs to maintain that level of service. Moreover, it is committed to the provision of all necessary staff and expertise to provide excellent numbering plan administration, as well as to providing free licenses for all NANPA related intellectual property. Lockheed Martin IMS will provide fair, neutral and efficient number administration, which it recognizes is absolutely critical to the growth of competition in the telecommunications

³² NANC Recommendation at 5.

industry. Lockheed Martin IMS respectfully submits that NANC's recommendation was proper and well reasoned, and should be adopted by the Commission.

Respectfully submitted,

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July 3, 1997

EXHIBIT A

Answers to NANPA Working Group Questions

Question 1

- 1. Section 10 - Are the prices quoted in your proposal your best and final prices? If not then please provide them in your responses. If you change your process, then you must indicate what affects, if any, the price changes have on your proposal and provide revised pricing tables.**

Yes, the prices quoted in our response are our best and final prices for the services proposed. However, after discussions with the NANC and the NANPA Working Group concerning specific NANPA service levels and potential process changes, these prices could be reduced.

EXHIBIT B

Answers to NANPA Working Group Questions

Question 27

- 27. Section 5.2.4, Page 5-15 - Are travel expenses for NANPA coordination and participation at NPA relief meetings included in the CO code cost figures? If not, where have these costs been included in the proposal?**

Yes, travel expenses for NANPA coordination and participation at NPA relief meetings are included in our price for CO Code Administration.

EXHIBIT C

Answers to NANPA Working Group Questions

Question 4

4. **What systems, software, and documents included in your proposal are to be considered proprietary and, therefore, unavailable to another organization who may take on the NANPA functions in the future?**

The workflow management system, resource database system, and the software and internally generated operations and support documentation implementing those systems are considered proprietary. These systems, while dedicated for NANPA use, are developed on and utilize a common Lockheed Martin IMS platform technology developed by the Communications Industry Services (CIS) LOB. Nonetheless, we are sensitive to the industry's need to affect a smooth transition of NANPA functions upon termination, as well as the need to ensure continued NANPA operations in the unlikely event of default, loss of neutrality, or insolvency. We are prepared to address these concerns in contract negotiations.

EXHIBIT D

Answers to NANPA Working Group Questions

Question 7

7. **Section 4.0 - In general, the Lockheed proposal seems to suggest that the NANPA can be achieved primarily through the use of mechanized systems and databases. It is not clear from the proposal what skills/experience Lockheed offers with respect to the difficult task of balancing the efficient use of a limited resource against meeting the needs of a diverse and complex industry, recognizing that industry guidelines will never be specific on every point of administration and that administrators are likely to be faced daily with interpreting industry guidelines. Please provide additional information regarding staff skills and experience in areas related to these kinds of issues.**

It was certainly not our intention to suggest that NANPA could be automated, or that the skill levels of the administrators could be relaxed or reduced due to automation. Any such implication was not intended and is regretted. On the contrary, due to the increasingly difficult task of balancing the conflicting objectives of efficient resource utilization and response to industry needs, there is an essential reliance on the unique skills of the administrators to interpret and execute on good faith the industry guidelines. It is our highest commitment to augment our existing staff and highly qualified management team, who come from the industry and are currently involved in administrative services such as the SMS/800 Help Desk and NPAC/SMS, with other industry resources and SMEs fluent in NANPA functions. Our NANPA headquarters facility in Tarrytown, NY will facilitate access to some of the most knowledgeable and experienced staff resources to ensure smooth transition of NANPA and CO code administration functions.

As stated above in answer to Lockheed Martin Question #1 above, the NANPA workflow management system is intended solely to automate the ministerial functions (paper/request processing) of NANPA, not of the administration functions themselves. The integrated resource database is a common support, research, and repository tool for administrators, not a tool to automate the administration itself. These facilitates are proposed not to replace skilled administrators, but to help make them more productive and effective.

EXHIBIT E

Answers to NANPA Working Group Questions

Question 39

- 39. What effect, if any, would decentralizing (e.g., 3 to 5 locations) only the NPA Relief Planning function have on Lockheed's pricing?**

We believe that our functional deployment strategy of designating primary and secondary regional SMEs provides coverage of local dialing, rating, and routing practices necessary to perform effective NPA relief planning and CO code administration. Consequently, our staff structure is functionally decentralized, even though the home office for this staff is expected to be physically centralized. Please see the discussion in answer to Lockheed Martin Question #28 for further detail.

However, should it be necessary to physically decentralize this staff to obtain the extent of local familiarity needed, we are prepared to discuss this possibility. Specifically, we are willing to consider, upon further discussion, distributing these personnel across three separate existing Lockheed Martin facilities (East Coast, West Coast, and Mid-West locations) without any increase to our proposal price.

Given the extent of traveling anticipated for the NPA relief planning staff, the physical location of their home office should be less of a consideration to all concerned than ensuring that the necessary local skills are obtained.

CERTIFICATE OF SERVICE

I, Kathryn M. Stasko, do hereby certify that the foregoing **REPLY COMMENTS OF LOCKHEED MARTIN IMS** have been furnished, via hand delivery, on this 3rd day of July, to the following:

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